



County of Los Angeles CHIEF ADMINISTRATIVE OFFICE

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DAVID E. JANSSEN
Chief Administrative Officer

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February 20, 2007

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**REQUEST FOR TERM EXTENSIONS FOR FOURTEEN (14) CABLE TELEVISION
FRANCHISES IN THE UNINCORPORATED AREAS OF THE COUNTY OF
LOS ANGELES GRANTED TO CHARTER COMMUNICATIONS AND
TIME WARNER CABLE AND/OR THEIR SUBSIDIARIES
(ALL DISTRICTS) (3 VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve fourteen (14) ordinance amendments to extend the term of the cable television franchises through January 2, 2008 in the unincorporated areas of La Habra Heights, Littlerock/Lake Los Angeles/Pearland, Long Beach, Malibu, Marina del Rey/Franklin Canyon, North Torrance, Norwalk, Palmdale, Saugus, South Monrovia, South Whittier, Stevenson Ranch, Walnut Park and West Covina, and reflect changes in the names of several of the franchisees pursuant to transfers previously approved by your Board.
2. Introduce, waive reading and place on your Board's Agenda for adoption the attached ordinances that implement the above recommendations.
3. Find these ordinance amendments categorically exempt under the California Environmental Quality Act (CEQA) pursuant to Class 1, Section (e) of the Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987, and Section 15301 of the State CEQA Guidelines.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The Digital Infrastructure and Video Competition Act of 2006 (DIVCA) became effective on January 1, 2007 as a result of the passage of California Assembly Bill 2987 in 2006. DIVCA provides for a State video franchising process administered by the California Public Utilities Commission (CPUC). Under DIVCA, incumbent cable operators will have the ability to obtain a State franchise operable after January 2, 2008. Since many County cable franchises expire

prior to that date, it is necessary to extend their term until the date that a State franchise would become operable. As a result, Charter Communications and Time Warner Cable have requested that all their County cable franchises, which expire in 2007, be extended through January 2, 2008.

On March 7, 2006 your Board approved a change of control of all County cable franchises held by Adelphia and Comcast to Time Warner Cable. Eight (8) of the fourteen (14) ordinances represented by this Board letter amend the name of the franchise holder to conform to that action.

Implementation of Strategic Plan Goals

Approval of this recommendation will assist in implementing the Countywide Strategic Plan Goal of Fiscal Responsibility. This will ensure the continuation of revenue provided to the County by statute.

FISCAL IMPACT/FINANCING

There will be no cost to the County. The County will continue to receive franchise fees of 5 percent of cable operators' gross revenues as authorized under Section 622 (b) of the Cable Act of 1984 [47 U.S.C. §542 (b)].

Should incumbent cable operators later choose to transition to a State franchise, 5 percent franchise fees on their gross revenues will continue to be paid to the County as prescribed under DIVCA, Section 5840 (q) of the California Public Utilities Code.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

DIVCA was enacted and became effective on January 1, 2007. However, various provisions of this law will become effective on subsequent dates. Pursuant to DIVCA, Section 5930 (b) of the California Public Utilities Code, the County may extend an incumbent cable operator's franchise through January 2, 2008. A State franchise issued to any incumbent cable operator shall not become operative prior to January 2, 2008.

Term extensions are requested for the following franchises:

La Habra Heights, Ordinance No. 86-0113F, as amended, granted to Time Warner Cable, Inc., a Delaware corporation (formerly held by Century TCI California, L.P., a Delaware limited partnership) (4);

Littlerock/Lake Los Angeles/Pearland, Ordinance No. 85-0145F, as amended, granted to Time Warner NY Cable, LLC, a Delaware limited liability company (formerly held by Adelphia Communications of California, LLC) (5);

Long Beach, Ordinance No. 85-0116F, as amended, granted to Long Beach, LLC (4);

Malibu, Ordinance No. 84-0233F, as amended, granted to Falcon Cablevision, a California limited partnership (3);

Marina del Rey/Franklin Canyon, Ordinance No. 83-0205F, as amended, granted to Time Warner Cable, Inc., a Delaware corporation (formerly held by Century-TCI California, L.P.) (4);

North Torrance, Ordinance No. 84-0122F, as amended, granted to Time Warner Cable, LLC (formerly held by Time Warner Cable, Inc.) (2);

Norwalk, Ordinance No. 86-0011F, as amended, granted to Charter Communications Entertainment II, LLC (4);

Palmdale, Ordinance No. 90-0118F, as amended, granted to Time Warner NY Cable, LLC, a Delaware limited liability company (formerly held by Adelphia Communications of California, LLC) (5);

Saugus, Ordinance No. 87-0169F, as amended, granted to Time Warner Cable, Inc., a Delaware corporation (formerly held by Comcast of Newhall, LLC, a California limited liability company) (5);

South Monrovia, Ordinance No. 84-0224F, as amended, granted to Charter Communications Entertainment II, LLC (5);

South Whittier, Ordinance No. 83-0087F, as amended, granted to Time Warner Cable, Inc., a Delaware corporation (formerly held by Century-TCI California, L.P., a Delaware limited partnership) (1,4);

Stevenson Ranch, Ordinance No. 88-0164F, as amended, granted to Time Warner Entertainment Company, L.P., a Delaware limited partnership (5);

Walnut Park, Ordinance No. 85-0148F, as amended, granted to Time Warner NY Cable, LLC, a Delaware limited liability company (formerly Adelphia Communications Corporation, a Delaware corporation) (1); and

West Covina, Ordinance No. 86-0151F, as amended, granted to Charter Communications Entertainment II, LLC (5).

The Office of the County Counsel has reviewed the attached ordinances and approved them as to form.

ENVIRONMENTAL DOCUMENTATION

The term extension of these cable television franchises is categorically exempt under CEQA pursuant to Class 1, Section (e) of the Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987, and Section 15301 of the State CEQA Guidelines.

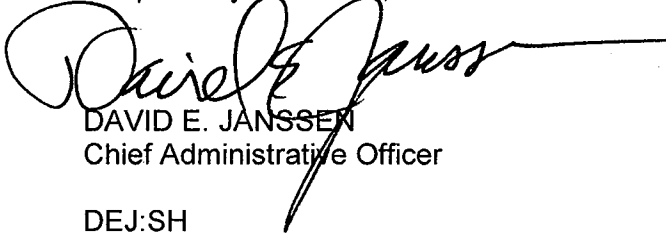
IMPACT ON CURRENT SERVICES (OR PROJECTS)

There will be no impact on current services.

CONCLUSION

It is requested that the Executive Officer of the Board of Supervisors notify Deane Leavenworth, Vice President, External Affairs, Time Warner Cable, 550 N. Continental Blvd., Suite 250, El Segundo, CA 90245 and Susie Evans, Director of Government Relations, Charter Communications, 5797 Eastside Road, Redding, CA 96001 of your Board's actions in this matter.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "David E. Janssen", with a long horizontal flourish extending to the right.

DAVID E. JANSSEN
Chief Administrative Officer

DEJ:SH
FT:JC:jl

Attachments (14) Ordinances

c: Executive Officer, Board of Supervisors
 County Counsel
 Auditor-Controller
 Director of Public Works